

Financial statements for the nine months ended 31st March 2011

ABRIDGED UNAUDITED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTHS ENDED 31ST MARCH 2011

	AFRASIA BANK LIMITED	
	9 months ended 31-Mar-2011	Year ended 30-Jun-2010
	Rs.	Rs.
Interest income	376,093,432	323,159,918
Interest expense	(221,866,208)	(215,650,919)
Net interest income	154,227,225	107,508,999
Fees and commission income	37,406,128	53,893,502
Fees and commission expense	(7,489,965)	(9,571,814)
Net fees and commission income	29,916,163	44,321,688
Net trading income	65,943,716	78,905,252
Other operating income	-	-
Total operating income	250,087,103	230,735,939
Net allowance for credit impairment	(21,966,793)	(31,963,872)
Net operating income	228,120,311	198,772,067
Personnel expenses	(85,227,927)	(90,316,955)
Depreciation of equipment	(2,546,104)	(2,792,710)
Amortisation of intangible assets	(3,250,177)	(3,874,861)
Other operating expenses	(50,819,566)	(53,647,698)
Total operating expenses	(141,843,774)	(150,632,224)
Profit before tax	86,276,537	48,139,843
Income tax expense	(23,479,840)	(10,792,251)
Profit for the period/year	62,796,696	37,347,592
Other comprehensive income for the period/year, net of income tax	-	-
Total comprehensive income for the period/year	62,796,696	37,347,592
Profit attributable to equity holders of the Parent	62,796,696	37,347,592
Total comprehensive income attributable to equity holders of the Parent	62,796,696	37,347,592

ABRIDGED UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH 2011

	AFRASIA BANK LIMITED	
	31-Mar-2011	30-Jun-2010
	Rs.	Rs.
ASSETS		
Cash and balances with Central Bank	953,277,793	998,421,458
Due from banks	5,296,537,810	1,806,870,654
Derivative financial instruments	58,862,811	71,085,788
Other financial assets held-for-trading	77,065,906	367,509,475
Loans and advances to customers	7,249,063,175	4,851,153,148
Investment in subsidiary	25,000,000	25,000,000
Investment in associates	5,022,438	-
Financial investments held-to-maturity	1,993,958,116	846,580,424
Equipment	13,071,961	13,387,240
Intangible assets	14,469,041	15,048,060
Deferred tax assets	2,205,826	2,205,826
Other assets	13,883,767	16,510,859
TOTAL ASSETS	15,702,418,644	9,013,772,932
LIABILITIES AND EQUITY		
Due to banks	28,926,053	96,186,070
Derivative financial instruments	62,053,881	94,465,383
Deposits from customers	14,417,360,132	7,985,730,346
Amount due to subsidiary	122,874,458	115,251,460
Current tax liabilities	18,845,753	9,324,978
Other liabilities	47,799,118	31,611,632
TOTAL LIABILITIES	14,697,859,394	8,332,569,869
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF PARENT		
Issued capital	921,638,335	653,977,649
Retained earnings	68,031,497	14,807,164
Other reserves	14,889,418	12,418,250
TOTAL EQUITY	1,004,559,250	681,203,063
TOTAL LIABILITIES AND EQUITY	15,702,418,644	9,013,772,932

ABRIDGED UNAUDITED STATEMENT OF CHANGES IN EQUITY AS AT 31ST MARCH 2011

AFRASIA BANK LIMITED	Issued capital	Retained earnings /(revenue deficit)	Other reserves	Total
	Rs.	Rs.	Rs.	Rs.
At 1 July 2009	653,977,649	(19,927,399)	5,632,775	639,683,025
Total comprehensive income for the year	-	37,347,592	-	37,347,592
Share-based payments	-	-	4,172,446	4,172,446
Appropriation of reserves	-	(2,613,029)	2,613,029	-
At 30 June 2010	653,977,649	14,807,164	12,418,250	681,203,063
At 1 July 2010	653,977,649	14,807,164	12,418,250	681,203,063
Issued capital	267,660,686	-	-	267,660,686
Total comprehensive income for the year	-	62,796,696	-	62,796,696
Dividends paid	-	(9,572,363)	-	(9,572,363)
Share-based payments	-	-	2,471,168	2,471,168
At 31 March 2011	921,638,335	68,031,497	14,889,418	1,004,559,250

MANAGEMENT'S COMMENTS

The Bank recorded net profit after tax for the 9 months ended 31 March 2011 of Rs.62.8million which is nearly double the 30 June 2010 full year net profit after tax of Rs.37.3million.

Growth in the Bank's deposit base was key to the results growing by approximately 22% from the previous quarter ended 31 December 2010 to Rs.14billion due to a strong relationship strategy in its target segments.

In February 2011, the Bank was ranked as the best "Banking Private Banking Service Provider" in Mauritius by Euromoney. This is testimony to the Bank's market positioning with a "bank different" customer service approach.

Furthermore, a third South African representative office executive was hired in Durban in February to enable further growth across the African region.

In order to sustain further strategic investments and to grow our loan book in Mauritius and in the region, the Bank raised Rs.417million of subordinated debt which qualifies as Tier 2 capital in April 2011.